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**U.S. CHARGES EX-CREDIT SUISSE FIRST BOSTON OFFICIAL
WITH OBSTRUCTING GRAND JURY AND SEC INVESTIGATIONS**

JAMES B. COMEY, the United States Attorney for the Southern District of New York, and KEVIN P. DONOVAN, the Assistant Director in Charge of the FBI's New York Field Office, announced that FRANK QUATTRONE, the former Head of the Global Technology Group at Credit Suisse First Boston Corporation ("CSFB"), was charged today with obstruction of justice in connection with his December 2000 direction to CSFB employees to destroy documents subpoenaed by a federal Grand Jury and the United States Securities and Exchange Commission (the "SEC"). The charges are contained in a criminal Complaint that was unsealed this morning in Manhattan federal court.

According to the Complaint, during 2000, CSFB was the subject of investigations by NASD, the SEC and a federal Grand Jury into its practices of allocating shares in certain initial public offerings ("IPOs") that it underwrote during 1999 and

2000. The Complaint alleges that CSFB received federal Grand Jury and SEC subpoenas requiring it to produce a broad variety of documents relating to all of the IPOs it underwrote during the period, including documents relating to: communications with the issuers of the IPOs, the valuation and pricing of the IPOs, CSFB's compensation in connection with the IPOs and CSFB's sales efforts.

According to the Complaint, CSFB's legal department advised QUATTRONE of the existence of each of these investigations, told him he was a likely witness, instructed him to retain his own counsel, and directed him to produce various relevant documents in his possession. For example, the Complaint alleges that:

(a) In early June 2000, QUATTRONE was advised of an NASD investigation into the allocation of shares in VA Linux Systems, Inc., and, shortly thereafter, directed to preserve, collect and produce to CSFB's legal department all documents in his possession relating to the matter;

(b) On July 10, 2000, QUATTRONE was advised that the SEC had commenced an examination of CSFB's entire equity underwriting process;

(c) On September 20, 2000, QUATTRONE was advised that the SEC examination had been referred to the SEC's Division of Enforcement, advised that he was a "likely" witness in that

investigation, and directed not to discuss the matter with other CSFB employees or with issuers of IPOs that CSFB underwrote;

(d) In October 2000, QUATTRONE was directed to collect and produce for CSFB's legal department documents relating to the allocation, valuation and pricing of the IPO of Selectica, Inc., including any notes, memoranda, and emails;

(e) On December 3, 2000, one of CSFB's senior legal officers advised QUATTRONE that the SEC and NASD investigations had resulted in the issuance to CSFB of a federal Grand Jury subpoena, characterized the matter as one of "extreme concern," and instructed him not to discuss the matter with anyone else; and

(f) On December 5, 2000, QUATTRONE was directed to retain his own counsel to represent him in the federal Grand Jury investigation.

The Complaint charges that on December 4, 2000, one of QUATTRONE's subordinates proposed to QUATTRONE and other senior CSFB officers that the subordinate send a reminder to investment bankers in CSFB's Technology Group to comply with CSFB's "document retention" policy and "clean up" their IPO-related files. The Complaint alleges that on December 4, 2000, after obtaining approval to do so, the subordinate sent on behalf of three senior Technology Group officers an email to hundreds of

CSFB bankers, directing them to destroy IPO-related notes, drafts, internal memos, valuation analyses, and sales memos. According to the Complaint, the email stated that CSFB believed the "securities litigation bar" was "mounting an all out assault on broken Tech IPOs," and "remind[ed]" and "suggest[ed]" that bankers "catch up on file cleanup."

According to the Complaint, on December 5, 2000 - after QUATTRONE had learned of the existence of the federal Grand Jury investigation, had learned that it was the subject of an upcoming Wall Street Journal article, and had been instructed to retain his own counsel - QUATTRONE sent a response to all recipients of the subordinate's December 4, 2000 email, in which he stated that he "strongly advised" the recipients to comply with the December 4, 2000 email. The Complaint alleges that 24 hours earlier, QUATTRONE had prepared a partial draft of his December 5, 2000 e-mail, but had not sent it.

The Complaint alleges that following the distribution of the December 4 and 5, 2000 emails, CSFB employees destroyed numerous hard-copy and electronic documents that were required to be produced pursuant to the Grand Jury and SEC subpoenas, including drafts of IPO prospectuses, due diligence notes, notes of communications with issuers of the IPOs, "pitch books" and valuation analyses.

According to the Complaint, in January 2003, in response to expected news articles about the December 4 and 5, 2000 emails, QUATTRONE represented to CSFB's Vice-Chairman that he had been unaware of pending regulatory investigations into CSFB's IPO allocation process at the time he sent the December 5, 2000 email recommending the destruction of documents.

Mr. COMEY stated: "The integrity of federal investigations require that we aggressively pursue and prosecute efforts to obstruct justice. The vindication of that interest is particularly important in corporate fraud investigations, because we often rely on voluntary compliance of corporations. It is an honor system, but one that must and will be guarded with an iron fist."

Mr. DONOVAN stated: "Corporate accountability starts at the top. Quattrone's alleged conduct sends the wrong message. His arrest today sends another message: Corporate misconduct will be aggressively investigated and prosecuted."

QUATTRONE, 47, is a resident of Menlo Park, California.

QUATTRONE surrendered to the FBI this morning and is expected to be presented later today in Manhattan federal court before United States Magistrate Judge THEODORE H. KATZ.

The Complaint includes one count of obstructing the

Grand Jury investigation, one count of obstructing the SEC investigation and one count of witness tampering by directing others to destroy documents. If convicted, QUATTRONE faces a maximum sentence on the obstruction of the Grand Jury investigation charge of 10 years in prison, a maximum sentence on the obstruction of the SEC investigation charge of 5 years in prison and a maximum sentence on the witness tampering charge of 10 years in prison, as well as a maximum fine on each count of \$250,000.

Mr. COMEY praised the efforts of the Federal Bureau of Investigation and thanked the SEC and NASD for their assistance in this investigation.

Assistant United States Attorneys STEVEN R. PEIKIN and DAVID B. ANDERS are in charge of the prosecution.

The charges contained in the Complaint are merely accusations, and the defendant is presumed innocent unless and until proven guilty.

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